

Exhibit 1

HON. LYNN N. HUGHES
UNITED STATES DISTRICT JUDGE
515 RUSK AVENUE, ROOM 11122
HOUSTON, TEXAS 77002

December 15, 2014

Dear Judge Hughes:

Recently, Acacia began offering services to patent holders in the energy industry. Rutherford's job is to expand Acacia's presence in the energy industry. She finds patent owners who may be interested in selling or licensing to Acacia the rights to their oil and gas technologies. Usually, this involves meeting with patent owners to pitch Acacia's services in helping patent owners make more money from their patents.

If the inventor signs on, Rutherford negotiates the terms of the assignment or license agreement, which typically includes a provision for some split of future royalties between the patent owner and Acacia or its affiliates. Other employees of Acacia or its affiliates, not Rutherford, then manage the day-to-day litigation if a patent suit is filed.

Rutherford's job also includes overseeing administrative tasks at the Houston office of Acacia's Energy Practice. For example, she found office space, negotiated the lease, and hired staff members.

In this case, Acacia learned of the '582 patent, negotiated a deal with its owners, and then bought the patent long before Rutherford worked at Acacia. Months before Rutherford ever joined Acacia, Acacia had already identified Schlumberger and MI-SWACO as potential infringers of the '582 patent.

Rutherford is not, and will not be, an attorney in PSI's suit against Schlumberger. She has not shared, and will not share, any of Schlumberger's confidential information with Gary Fischman, Acacia, PSI, or their outside law firms. Although there is no basis for disqualification, Rutherford desires an end to these repetitive disputes and therefore agrees not to involve herself in patent lawsuits against Schlumberger for the next two years. Acacia will again tell its employees and attorneys not to communicate with Rutherford about litigation against Schlumberger.

The signers of this letter swear under oath that the facts above are true.


Charlotte Rutherford


Marvin Key, Chief Executive Officer,
Acacia Research Group, LLC


Clayton Haynes, Chief Financial Officer,
Parallel Separation Innovations, LLC